

UNITED STATES SENATOR • IOWA  
**CHUCK GRASSLEY**  
RANKING MEMBER • SENATE COMMITTEE ON FINANCE

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For Immediate Release  
Thursday, March 14, 2002

Grassley Asks for Cooperation in Health Fraud Case

WASHINGTON – Sen. Chuck Grassley, ranking member of the Committee on Finance, today sent the following letter.

March 14, 2002

Mr. Thomas Scully  
Administrator  
Centers for Medicare & Medicaid Services  
200 Independence Ave. SW  
Washington, D.C. 20201

Dear Mr. Scully:

I was pleased you appeared at this morning's hearing before the Senate Finance Committee. I am writing now to seek a fuller explanation of statements you made regarding the pending False Claims Act case against HCA Inc. (formerly Columbia HCA). As I mentioned in my comments this morning, I asked my question because of concerns I had heard from the Department of Justice that they were not receiving full cooperation from Centers for Medicare & Medicaid Services (CMS) regarding the HCA case.

I understood you to say that there are significant legal differences between CMS and the Department of Justice regarding the liability of HCA under the False Claims Act. It is my concern that if that is the case these disagreements may hinder CMS' full cooperation with the Justice Department in attempting to resolve the remaining liability.

Please explain in detail each of these legal differences as you see them. In addition, have these legal differences affected your ability to cooperate with the Justice Department and/or the whistleblowers who initiated the HCA case? Specifically, are CMS staff fully cooperating with Justice in those areas where CMS disagrees with Justice's legal position? Please provide details as to any information, data or personnel (to include any requests for meetings) sought by the Justice Department or the whistleblowers which you have not fully provided or agreed to by CMS. Also, please list all meetings CMS has had with HCA on this matter.

This issue is extremely important to me, and I would appreciate a response within 10 days. Finally, as well as your response on HCA please inform me of any other False Claims cases where you have significant differences of opinion regarding liability with the Department of Justice. Please provide that information within 30 days. Thank you for your time and cooperation on this matter. If you have any questions, please contact Mr. Dean Zerbe of my staff at 224-5315.

Cordially yours,

Charles E. Grassley  
Ranking Member

cc: Robert McCallum  
Assistant Attorney General, Civil Division